Envia Systems Delivers High Energy Density Battery Materials Available for Commercial Testing

New Technology Promises Higher Performance at Lower Cost for Next-Generation EVs and PHEVs

NEWARK, CA – Jan 26, 2011 – Envia Systems, the technology leader in high performance, low cost Lithium Ion (Li-Ion) energy storage solutions, announced today that its High Capacity Manganese Rich (HCMR) cathode material for advanced batteries is available in limited quantities for pilot vehicle programs. Envia's HCMR technology exceeds the performance of today's market-available battery solutions designed for electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs).

Envia's HCMR technology is the first of its proprietary cathode and anode materials for Li-Ion batteries to be readied for commercial testing. Envia's HCMR cathode material enables batteries that are distinct in five primary ways: using low cost safe materials, delivering unmatched energy density, providing excellent cycle life and offering an inherent ability to customize battery size and output in order to meet the demands of a variety of applications, particularly EVs and PHEVs.

Envia's HCMR cathode has twice the capacity over currently available cathode materials. This capacity doubling enables battery-makers to make much smaller battery packs that can significantly reduce the costs of EVs and PHEVs.

"Offering Envia's HCMR technology for pilot vehicle programs is a major milestone in the commercialization of higher-performance lithium ion cells," said Dr. Sujeet Kumar, founder and chief technology officer of Envia Systems. "HCMR is the first next-generation solution to leverage Argonne National Laboratory's composite cathode material, licensed by Envia."

"The relationship between Argonne and Envia dates back to 2008, when we collaborated to make cathode material in small quantities. This collaboration is a demonstration of the extraordinary impact and value of Department of Energy's investment in basic research, and shows the very real contribution the national laboratories make to our country's prosperity," said Dr. Jeff Chamberlain, head of Argonne's Energy Storage Initiative.

"The future of the automotive industry is heavily invested in the affordability of EVs and PHEVs, said Michael Sinkula, co-founder of Envia Systems. "Energy storage is the key element to reducing costs. Throughout the past three years, Envia has assembled a unique, interdisciplinary team whose expertise in material sciences and electrochemistry has been crucial in attacking the challenge of high-density, low-cost energy storage."

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Concurrently, GM announced that they led a $17 million equity investment round in Envia Systems and secured rights to use Envia's HCMR cathode material.

"Delivering the levels of increased capacity cathode material that the automotive industry needs at low cost is massively complex," Atul Kapadia, founding investor, chairman & CEO of Envia Systems. "There simply is no shortcut to doubling the capacity at this cost. Our scientists have worked through 100s of process parameters and compositions to arrive at the product that is available for testing today. By reducing costs and relieving mileage anxiety, HCMR will hasten the pace of the electric vehicle revolution and advance the timetable for mass commercialization of EVs and PHEVs.

Envia recently secured development grants from USABC totaling $3.65 million, adding to grants of $4 million from the U.S. Department of Energy's ARPA-E program and $1 million from the California Energy Commission secured in 2009. Envia has raised equity financing from GM Ventures, Asahi Kasei, Asahi Glass, Bay Partners, Redpoint Ventures and Pangaea Ventures.

About Envia Systems

Envia Systems is a technology leader in high performance, low cost Lithium Ion energy storage solutions. Based in Newark, California, Envia's patented cathode technology enables its batteries to deliver previously unattainable levels of energy capacity, safety and life. These systems will be used by manufacturers developing Electric Vehicles and Plug-in Hybrid Electric Vehicles. For more information, please visit www.enviasystems.com.

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